

Message Text

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43

ACTION NEA-10

INFO OCT-01 AF-10 EUR-12 ISO-00 CIAE-00 COME-00 EB-06

INR-07 LAB-03 NSAE-00 RSC-01 SIL-01 OMB-01 CIEP-02

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FM AMEMBASSY BEIRUT

TO SECSTATE WASHDC 1236

AMEMBASSY JIDDA

INFO AMEMBASSY ADDIS ABABA

AMEMBASSY AMMAN

AMEMBASSY ANKARA

AMEMBASSY CAIRO

AMEMBASSY DAMASCUS

AMCONSUL DHAHRAN

AMEMBASSY ISLAMABAD

AMEMBASSY KHARTOUM

AMEMBASSY MOGADISCIO

AMEMBASSY SANAA

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JIDDA PASS RIYAD

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SUBJECT: U.S. - SAUDI ECON COMMISSION: MANPOWER

REF: JIDDA 5869

SUMMARY: REGIONAL LABOR ATTACHE FURNISHES COMMENTS ON
QUESTIONS RAISED IN REFTEL RELATING TO AVAILABILITY
OF MANPOWER IN ARAB MIDDLE EAST FOR SAUDI NEEDS.
END SUMMARY.

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1. REGIONAL LABATT PROVIDES FOLLOWING COMMENTS TO REFTEL

RE AVAILABILITY OF MANPOWER IN ARAB MIDDLE EAST:

2. ABSENCE OF RELIABLE AND COMPREHENSIVE LABOR FORCE STATISTICS IN MOST ME COUNTRIES IS REGIONAL FACT OF LIFE AND MAKES ESTIMATION OF UNEMPLOYMENT EXTRA-ORDINARILY DIFFICULT. FURTHERMORE, UNEMPLOYMENT IS MISLEADING INDICATOR. FOR SOCIO-ECONOMIC REASONS, UNDER EMPLOYMENT IS SALIENT FEATURE CHARACTERIZING MUCH OF RURAL AND LOW SKILL URBAN WORKING POPULATION.

3. AT UNSKILLED LEVEL, POOLS OF UNDERUTILIZED MANPOWER UNQUESTIONABLY EXIST NOT ONLY IN NORTH YEMEN AND EGYPT, AS IS WELL KNOWN, BUT ALSO IN POPULATED COUNTRYSIDE OF OTHER COUNTRIES. EVEN SO, THERE ARE SIGNS OF INCREASING DIFFICULTY IN ATTRACTING UNSKILLED ACROSS BORDERS AS IN-COUNTRY DEVELOPMENT STIMULATES HEIGHTENED DOMESTIC DEMAND FOR THEM. PRIME EXAMPLE IS SYRIA WHICH HAS IN PAST PROVIDED PLENTIFUL SUPPLY OF LABOR FOR AGRICULTURE, CONSTRUCTION, ETC. IN LEBANON. WITH ECONOMIC ACTIVITY PICKING UP IN SYRIA, LEBANESE CAN NO LONGER COUNT ON ADEQUATE NUMBER OF SYRIANS AND SOME EMPLOYERS ARE BEGINNING TO LOOK AS FAR AWAY AS PAKISTAN FOR ALTERNATIVE SOURCE.

4. AT VIRTUALLY EVERY SKILLS LEVEL ABOVE UNSKILLED, MAN-POWER APPEARS TO BE INCREASINGLY IN SHORT SUPPLY AS CURRENT ECONOMIC BOOM FUELED BY BURGEONING OIL REVENUES SPREADS THROUGH REGION. HENCE, SKILLS-HOLDERS CAN BE GENERALLY CONSIDERED AS EMPLOYED AND ONLY AVAILABLE IF WAGES ELSEWHERE ARE SUFFICIENTLY ATTRACTIVE. THERE IS TRADITIONAL PATTERN OF MOVEMENT OF SKILLS-HOLDERS FROM LOW-WAGE COUNTRIES SUCH AS EGYPT AND JORDAN TO HIGH-WAGE COUNTRIES LIKE OIL-PRODUCING GULF STATES. (DEPARTMENT MAY ACCORDINGLY FIND COMPARATIVE WAGE RATE DATA, TO EXTENT IT CAN BE COMPILED, AS USEFUL INDICATOR FOR MANPOWER AVAILABILITY ESTIMATES). THIS MOVEMENT, WHILE EXPANDING, HAS NOT YET REACHED SIGNIFICANT PROPORTIONS IN OTHER COUNTRIES, IN PART BECAUSE SOME COUNTRIES, NOTABLY SYRIA, HAVE BEEN TAKING COUNTERMEASURES TO CHECK THEIR SKILLS DRAIN BUT ALSO

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BECAUSE MOST RECRUITMENT IS EFFECTED BY WORD-OF-MOUTH AND ON BASIS PERSONAL RELATIONS. INDIVIDUAL ARAB GOVTS, HOWEVER, MAY INCREASINGLY SEEK TO DEVELOP BILATERAL FRAME WORKS FOR MORE MASSIVE TRANSFERS IN FUTURE (EGYPT, WHICH HAS EXPERIENCE ALONG THESE LINES WITH LIBYA, RECENTLY SENT MANPOWER MINISTRY MISSION TO GULF STATES FOR FIRST HAND INVESTIGATION OF POTENTIAL FOR EGYPTIAN MANPOWER).

5. CHIEF OBSTACLE IN THIS REGARD HAS THUS FAR BEEN UNWILLING-
NESS OF MOST ARAB GOVTS TO PERMIT UNRESTRICTED INTER-
CHANGE OF ARAB LABOR FOR VARIETY OF REASONS (DIPLOMATIC,
SECURITY, ETC.). IDEA OF FREE LABOR MARKET IN ARAB
WORLD HAS BEEN GIVEN WIDE LIP SERVICE BUT WHENEVER
SUBJECT HAS COME UP IN INTER-ARAB FORA, GOVTS HAVE
SHUNTED ASIDE PROPOSALS FOR OUTRIGHT ENDORSEMENT AND
IMPLEMENTATION (AS HAPPENED THIS YEAR AT ARAB LABOR
ORGANIZATION CONFERENCE AT RABAT AND CONFERENCE ON
POPULATION AND MANPOWER SPONSORED BY ECONOMIC COMMISSION
FOR WEST ASIA IN BEIRUT). CHANGE IN GOVTS' ATTITUDE
APPEARS UNLIKELY IN FORSEEABLE FUTURE.

6. LEBANESE BUSINESSMEN REPORT DELAYS OF UP TO 8 MONTHS
IN OBTAINING SAUDI WORK VISAS LOCALLY. DELAYS ARE
ATTRIBUTED TO COMBINATION OF LETHARGIC PROCESSING OF
APPLICATIONS AT RIYADH AND SLOW-MOTION SECURITY CHECKS
BY LOCAL SAUDI EMBASSY. AS A RESULT, MORE AND MORE
BEIRUT FIRMS ARE SENDING WORKERS ON THREE-MONTH VISAS,
WITH WORKERS RETURNING AND RE-APPLYING EVERY QUARTER
AS LONG AS THEIR SERVICES ARE NEEDED IN SAUDI ARABIA. GODLEY

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